

BEFORE THE ARIZONA CORPORATION COMMISSION

2 MARC SPITZER
Chairman
3 WILLIAM A. MUNDELL
Commissioner
4 JIM IRVIN
Commissioner
5 MIKE GLEASON
Commissioner

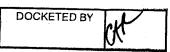
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JEFF HATCH-MILLER

Commissioner

Arizona Corporation Commission DOCKETED

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IN THE MATTER OF THE APPLICATION OF MIDVALE TELEPHONE EXCHANGE, INC. FOR AN AMENDMENT TO ITS CERTIFICATE OF CONVENIENCE AND

Docket No. T-02532A-03-0017

QWEST CORPORATION'S COMMENTS REGARDING STAFF'S AUGUST 1, 2003 REPORT AND RECOMMENDATION

Qwest Corporation ("Qwest") hereby files comments regarding the Arizona Corporation Commission Utilities Division Staff ("Staff") August 1, 2003 Report ("Report") recommending approval of Midvale Telephone Exchange, Inc.'s ("Midvale") Application extend its service territory to include parts of Poquito Valley in Prescott Valley, Arizona, including Section 11, T-15-N, R-1-W ("Section 11").

On July 30, 2003, Qwest filed a motion to intervene in the above-captioned docket since it was substantially and directly affected by these proceedings. Section 11 is the subject of consolidated complaints against Qwest before this Commission in Docket Nos. T-01051B-02-0535, T-01051B-02-0516 and T-01051B-02-0512. The central issue in these complaints is whether Qwest may be forced to serve outside of its service territory, particularly in light of Midvale's request to become the incumbent local exchange carrier for Section 11, as well as other Sections in the area.

Qwest now files the following comments regarding Staff's Report recommending that the Commission approve Midvale's application:

- Qwest supports Staff's recommendation to grant Midvale certification to provide
 facilities-based local exchange service as an incumbent local exchange carrier to
 the areas identified in Midvale's Application. As previously stated, Qwest
 believes it in the public interest to certify carriers that elect to provide telephone
 service. Midvale has voluntarily applied to provide such service and should be
 granted approval to do so.
- While Qwest still believes that Extended Area Service ("EAS") issues should be addressed industry-wide in dockets currently pending before this Commission, Qwest does not oppose the establishment of two-way EAS with Midvale for its Millsite exchange as recommended by Staff. Qwest, however, would recommend that the Commission set a specific deadline for establishment of EAS to provide the parties with sufficient notice, preferably six-months, for completion of any EAS agreement with Midvale and related network provisioning.
- As an alternative option for the transfer of existing Qwest customers in Section 11 to Midvale if Midvale's Application is approved, Qwest proposes to provide remote call forwarding for one year at no charge for those customers currently receiving Qwest's service once Midvale is providing service. There are currently two customers located at 10195 North Poquito Valley Road and one customer at 10150 North Poquito Valley Road, in Prescott Valley. The current Qwest customers would receive a new phone number from Midvale but would have the

opportunity to utilize Qwest's designated phone number via remote call forwarding for an entire year while they transition to a Midvale number and related services. In order to build a cohesive service and customer base within Section 11, Qwest believes this is preferable to Staff's proposal to transition customers to Midvale only at such time as those customers sell or transfer full ownership of their property at some remote time in the future.

Therefore, Qwest recommends the following ordering paragraphs:

- (1) "It is therefore ordered that EAS implementation occurs 6 months after a signed order."
- (2) "It is therefore ordered Midvale provision a local trunk group from its Millsite Exchange to the Prescott local tandem to implement EAS between the Millsite exchange and the Prescott calling area."
- (3) "It is therefore ordered for Qwest to provide remote call forwarding for one year at no charge for those customers receiving Qwest's service at 10195 and 10150 North Poquito Valley Road, in Section 11, T-15-N, R-1-W, once Midyale is providing service."

RESPECTFULLY SUBMITTED this day of August, 2003.

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